

FISCAL NOTE

HB 3725 - SB 3946

February 29, 2008

SUMMARY OF BILL: Requires that when funds allocated to the University of Tennessee for use in operating the County Technical Assistance Service (CTAS) falls below thirty percent of the total of such Tennessee Valley Authority (TVA) impact funds, counties must allocate the shortfall in funds.

ESTIMATED FISCAL IMPACT:

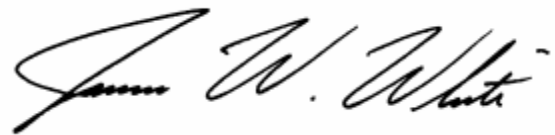
Other Fiscal Impact - If impact funds allocated to the University of Tennessee for operating the County Technical Assistance Service will not be maintained at the same level, counties must make up the difference and county revenue will decrease. The CTAS appropriation for FY07-08 is \$1,928,078.84, thus the maximum shift in funds from counties to CTAS is \$1,928,078.84.

Assumptions:

- Under the 2007-2008 Tennessee Revenue Sharing Act, TVA will make a payment of \$269,435,569 for FY07-08. 48.5 percent of this payment is allocated to state government, 48.5 percent is allocated to local governments, and three percent is allocated as TVA impact funds.
- TVA impact funds are first designated to TVA designated impact areas, then to the County Technical Assistance Service (CTAS). When a shortfall in impact funds occurs counties will allocate a portion of their 48.5 percent to CTAS.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

/rnc